## IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION



ENTERED 09/09/2019

# ORDER GRANTING EMERGENCY MOTION OF MORASCYZK & POLOCHAK, ATTORNEYS AT LAW, AND CO-EXPRISE, INC., d/b/a CX-ENERGY FOR RELIEF FROM THE AUTOMATIC STAY

(Docket No. 145)

Upon consideration of the motion of MORASCYZK & POLOCHAK, ATTORNEYS AT LAW ("M&P), and CO-EXPRISE, INC., d/b/a CX-ENERGY ("CX"), for relief from the automatic stay (the "Motion");<sup>2</sup> and the Court having considered the opposition to the Motion; and the Court having considered the evidence and arguments at the hearing on September 4, 2019; and the Court having found that under the circumstances proper notice of the Motion and the hearing thereon was given and that no other or further notice is necessary; the Court having found that, upon the record herein and after due deliberation thereon, there exists just cause for the relief granted herein:

#### IT IS HEREBY ORDERED THAT:

- 1. The Motion is GRANTED to the extent set forth herein.
- 2. The automatic stay of 11 U.S.C. § 362(a) is hereby modified solely to the extent necessary to permit M&P, CX and/or the Debtors, only with respect to the appeal of Halcón

<sup>&</sup>lt;sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Halcón Resources Corporation (0684), Halcón Resources Operating, Inc. (4856), Halcón Holdings, Inc. (5102), Halcón Energy Properties, Inc. (5292), Halcón Permian, LLC (6153), Halcón Field Services, LLC (0280), and Halcón Operating Co., Inc. (3588). The Debtors' mailing address is 1000 Louisiana St., Suite 1500, Houston, TX 77002.

<sup>&</sup>lt;sup>2</sup> Capitalized terms not defined in this Order shall have the meanings ascribed to such terms in the Motion.

Energy Properties, Inc. identified as No. 301 WDA 2019 (the "Appeal") in the Superior Court of Pennsylvania (the "Superior Court"): (a) to request a calendar setting to participate in oral arguments, which may take place no earlier than October 21, 2019, in the Appeal, including by providing this Order to the Prothonotary of the Superior Court in connection with any request to have the Appeal scheduled for argument during the Superior Court's October, 2019 "Pittsburgh" or "Westmoreland County" sittings, or at such time thereafter as may suit the convenience of the Superior Court; and (b) to participate in such oral argument in the Appeal. Except as otherwise expressly set forth in the immediately preceding sentence, the automatic stay shall remain in full force and effect.

- 3. Nothing contained in the Motion or this Order shall lift or modify the automatic stay or otherwise authorize M&P, CX, and/or the Debtors to request a calendar setting for, or participate in, oral argument with respect to the conditional-cross appeal of M&P and CX identified as No. 347 WDA 2019 in the Superior Court (the "Cross Appeal").
- 4. Nothing contained in the Motion or this Order shall deprive any of the parties to the Appeal of any procedural or substantive rights they may have in connection with the scheduling and conduct of such oral argument pursuant to the Pennsylvania Rules of Appellate Procedure. Nothing contained in this Order requests that the Superior Court take any action including the scheduling of oral argument for the Appeal before the automatic stay is lifted or modified as to the Cross Appeal.
- 5. Nothing contained in the Motion or this Order shall authorize M&P and CX to take any further action to prosecute the Appeal or to enforce or recover any portion of the judgment entered in favor of M&P and CX on January 30, 2019 in the Court of Common Pleas of Mercer County, docketed at No. 2013-512, including any actions to collect on the First Bond

Case 19-34446 Document 239 Filed in TXSB on 09/09/19 Page 3 of 5

and/or the Current Bond, except as expressly provided for herein and absent further order of this

Court.

6. Notwithstanding the 14-day stay of effectiveness provided under Fed. R. Bank. P.

4001(a)(3), the terms of this Order shall be immediately effective and enforceable upon entry by

the Court.

7. This Order is without prejudice to the Debtors, M&P and CX's right to seek

further stay relief from this Court.

Signed: September 09, 2019

DAVID R. JONES

UNITED STATES BANKRUPT Y JUDGE

#### **AGREED TO AS TO FORM:**

DATED: September 6, 2019

#### WEIL, GOTSHAL & MANGES LLP

#### /s/ Patrick W. Thompson

WEIL, GOTSHAL & MANGES LLP Alfredo R. Pérez (15776275) Patrick W. Thompson (24066189) 700 Louisiana Street, Suite 1700

Houston, Texas 77002 Telephone: (713) 546-5000 Facsimile: (713) 224-9511

Email: Alfredo.Perez@weil.com Patrick.Thompson@weil.com

-and-

#### WEIL, GOTSHAL & MANGES LLP

Gary Holtzer (admitted *pro hac vice*) Lauren Tauro (admitted *pro hac vice*) 767 Fifth Avenue

New York, New York 10153 Telephone: (212) 310-8000 Facsimile: (212) 310-8007 Email: Gary.Holtzer@weil.com Lauren.Tauro@weil.com

Proposed Attorneys for Debtors and Debtors in Possession

#### HAYNES AND BOONE, LLP

By: /s/ Arsalan Muhammad

Kelli S. Norfleet

Texas State Bar No. 24070678

Arsalan Muhammad

Texas State Bar No. 24074771

1221 McKinney Street, Suite 2100

Houston, Texas 77010

Telephone.: (713) 547-2000 Facsimile: (713) 547-2600

Email: kelli.norfleet@haynesboone.com arsalan.muhammad@haynesboone.com

Counsel for Morascyzk and Polochak, Attorneys at Law and Co-Exprise, Inc., d/b/a CX-Energy

-and-

#### SHERRARD, GERMAN & KELLY, P.C.

Gary Philip Nelson (admitted *pro hac vice*) James R. Hankle (admitted *pro hac vice*) Nicholas L. Fiske (admitted *pro hac vice*)

535 Smithfield Street, Ste. 300

Pittsburgh, PA 15222
Telephone: (412) 355-0200
Facsimile: (412) 261-6221
Email: gpn@sgkpc.com
 jrh@sgkpc.com

jrh@sgkpc.com nlf@sgkpc.com

Counsel for Co-Exprise, Inc., d/b/a CX-Energy

-and-

#### **MARGOLIS EDELSTEIN**

Daniel M. Taylor, Jr. (admitted *pro hac vice*)
Stephen P. Plonski (admitted *pro hac vice*)
The Oliver Building
535 Smithfield Street, Suite 1100
Pittsburgh, PA 15222
Telephone: (412) 281-4256

Telephone: (412) 281-4256 Facsimile: (412) 642-2380

Email: dtaylor@margolisedelstein.com splonski@margolisedelstein.com

## Counsel for Morascyzk and Polochak, Attorneys at Law

-and-

### **MARGOLIS EDELSTEIN**

James E. Huggett (admitted *pro hac vice*) 300 Delaware Avenue, Suite 800 Wilmington, DE 19801 Telephone: (302) 888-1112 Facsimile: (302) 888-1119

Email: jhuggett@margolisedelstein.com

Counsel for Morascyzk and Polochak, Attorneys at Law